Al Qalam: Jurnal Ilmiah Keagamaan dan Kemasyarakatan
https://jurnal.stiq-amuntai.ac.id/index.php/al-qalam
P-ISSN: 1907-4174; E-ISSN: 2621-0681
DOI : 10.35931/aq.v20i6.7592

ANALYSIS OF THE IMPACT OF GOVERNMENT SUPPORT, INTER-FIRM COLLABORATION, MANAGERIAL CONNECTION, AND FIRM RESOURCE ON IMPROVING THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES (SMEs) IN THE JABODETABEK REGION

Anis Qusayiriah[1], Yuniarty[2]
[1, 2] Management Department, BINUS Online, Bina Nusantara University, Jakarta, Indonesia
[1] anis.qusayiriah@binus.ac.id, [2] yuniarty@binus.ac.id

Abstract

The competitiveness of Small and Medium Enterprises (SMEs) is influenced by various internal and external factors that determine their financial performance and sustainability. This study investigates the factors that influence the competitiveness of SMEs in the Jabodetabek region, focusing on government support, inter-firm collaboration, managerial connections, and firm resources. A survey of 229 SMEs in Jabodetabek was conducted using purposive sampling, and the data were analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM). The findings reveal that government support does not significantly impact firm resources or financial performance directly, while inter-firm collaboration also does not directly affect financial outcomes. However, managerial connections significantly influence both firm resources and financial performance. Furthermore, firm resources were found to play a crucial mediating role in the relationship between government support, inter-firm collaboration, managerial connections, and financial performance. These findings suggest that SMEs should strengthen managerial connections and internal resources as key drivers of financial success. Additionally, SMEs are encouraged to foster an environment that supports innovation and collaboration to enhance competitiveness. The study highlights that while external support from the government is important, internal factors particularly managerial connections and resources have a more significant impact on improving SME performance.
Keywords: *Small and Medium Enterprises (SMEs), Government Support, Inter-Firm Collaboration, Managerial Connection, Firm Resources, SME Performance.*

Abstrak

Daya saing Usaha Kecil dan Menengah (UKM) dipengaruhi oleh berbagai faktor internal dan eksternal yang menentukan kinerja keuangan dan keberlanjutannya. Penelitian ini menyelidiki faktor-faktor yang memengaruhi daya saing UKM di wilayah Jabodetabek, dengan fokus pada dukungan pemerintah, kolaborasi antarperusahaan, koneksi manajerial, dan sumber daya perusahaan. Survei dilakukan terhadap 229 UKM di Jabodetabek dengan teknik purposive sampling*, dan data dianalisis menggunakan* Partial Least Squares-Structural Equation Modeling *(PLS-SEM). Hasil penelitian menunjukkan bahwa dukungan pemerintah tidak berpengaruh signifikan secara langsung terhadap sumber daya perusahaan maupun kinerja keuangan, sementara kolaborasi antarperusahaan juga tidak berpengaruh langsung terhadap kinerja keuangan. Namun, koneksi manajerial berpengaruh signifikan terhadap sumber daya perusahaan dan kinerja keuangan. Selain itu, sumber daya perusahaan terbukti berperan penting sebagai mediator dalam hubungan antara dukungan pemerintah, kolaborasi antarperusahaan, koneksi manajerial, dan kinerja keuangan. Temuan ini menunjukkan bahwa UKM perlu memperkuat koneksi manajerial dan sumber daya internal sebagai pendorong utama keberhasilan keuangan. UKM juga didorong untuk menciptakan*

lingkungan yang mendukung inovasi dan kolaborasi guna meningkatkan daya saing. Penelitian ini menegaskan bahwa meskipun dukungan eksternal dari pemerintah penting, faktor internal, khususnya koneksi manajerial dan sumber daya, memiliki pengaruh yang lebih besar terhadap peningkatan kinerja UKM.
Kata Kunci: *Usaha Kecil dan Menengah (UKM), Dukungan Pemerintah, Kolaborasi Antarperusahaan, Koneksi Manajerial, Sumber Daya Perusahaan, Kinerja UKM.*

© Author(s) 2026
This work is licensed under a Creative Commons Attribution 4.0 International License.

INTRODUCTION

Small and Medium Enterprises (SMEs) play an essential role in Indonesia's economic development. According to the Ministry of Finance of the Republic of Indonesia,[1] SMEs contribute 61% to the national Gross Domestic Product (GDP), amounting to 9,580 trillion IDR in 2024 a 2.3% increase from the previous year and absorb 97% of the national workforce. SMEs have been particularly significant during economic crises, including the 1998 monetary crisis and the COVID-19 pandemic, contributing substantially to poverty alleviation, income inequality reduction, and foreign exchange generation.[2]

The creative economy sector represents one of the fastest-growing SME segments in Indonesia, encompassing culinary, fashion, craft, and other industries driven by intangible and symbolic value.[3] The quintuple helix innovation model underscores the importance of synergy among government, industry, academia, civil society, and the natural environment in regional development.[4] However, SMEs continue to face significant challenges in accessing resources, markets, and institutional support.

A preliminary survey conducted prior to this study revealed that 60% of respondents did not feel the benefits of government support for SME development. Approximately 65% of SMEs did not regard inter-firm collaboration as an opportunity for performance improvement.

[1] Kementerian Keuangan Republik Indonesia, "Kontribusi UMKM dalam Perekonomian Indonesia," KPPN Lubuk Sikaping, Direktorat Jenderal Perbendaharaan, 2023, https://djpb.kemenkeu.go.id/kppn/lubuksikaping/id/data-publikasi/artikel/3134-kontribusi-umkm-dalam-perekonomian-indonesia.html.

[2] Kementerian Koperasi dan UKM, *Pengadaan Jasa Lainnya Tenaga Pendukung Pengembangan Ekosistem Bisnis* (Terms of Reference (TOR), Kementerian Koperasi dan UKM, 2024), https://lpse.kemenkopukm.go.id/eproc4/dl/f50a01d5562e72aaec4705a56a119310a767f156b947d86ac53ce0f307956b76cac121fbd52f9ff5db1fa6062fae73e41ab53581ec120ef07c091d6e910d7ba6627f43956e8cd979fa2af11ccba97ac896833bcebd7f19f983b831bae6d82b05.

[3] H. Rodríguez-Insuasti et al., "Creative Economy: A Worldwide Research in Business, Management and Accounting," *Sustainability* 14, no. 23 (2022): 16010, https://doi.org/10.3390/su142316010.

[4] A. Rodrigues-Ferreira et al., "Creative Economy and the Quintuple Helix Innovation Model: A Critical Factors Study in the Context of Regional Development," *Creativity Studies* (2023), https://journals.vilniustech.lt/index.php/CS/article/view/15709.

Furthermore, 55% of SMEs acknowledged insufficient resources particularly capital and business location while only 30% of SMEs reported performance improvements attributable to the combined influence of government support, stakeholder relationships, collaboration, and available resources.

The Jabodetabek region comprising Jakarta and its surrounding municipalities (Bogor, Depok, Tangerang, and Bekasi) constitutes Indonesia's largest urban complex with significant socio-economic and political influence.[5] Efforts to support SMEs in this region include improving entrepreneurial and managerial skills, facilitating access to capital, and developing distinctive products.[6] Understanding the specific factors driving SME performance in this metropolitan context is therefore of both theoretical and practical importance.

This study draws upon and extends the cross-sectional research framework developed by Zulu-Chisanga et al.[7] in Zambia, Africa. The novelty of this study lies in validating and contextualizing their model within the Indonesian setting, which differs from Zambia in terms of culture, geography, governance structures, and SME profiles. The study thus aims to examine how government support, inter-firm collaboration, managerial connections, and firm resources affect the financial performance of SMEs in the Jabodetabek region.

Literature Review

The SME sector plays a crucial role in economic development through its contributions to GDP growth and employment absorption.[8] SME performance is typically measured through increases in sales, profits, working capital, and operating profits.[9] Several factors influence SME performance, including sustainability practices,[10] entrepreneurial behavior,[11] and knowledge

[5] E. Rustiadi et al., "Jabodetabek Megacity: From City Development toward Urban Complex Management System," in *Urban Development Challenges, Risks and Resilience in Asian Mega Cities* (Tokyo: Springer, 2015), https://doi.org/10.1007/978-4-431-55043-3_22.

[6] N. Risnawati, "Profil UMK, permasalahan dan upaya pemberdayaannya di Kabupaten Sumedang," 2018, Semantic Scholar Corpus ID: 149583274; Y. Murdayanti et al., "Pemberdayaan masyarakat UKM dalam mengimplementasikan unique selling proposition dan strategi penentuan harga jual," *JPPM (Jurnal Pendidikan dan Pemberdayaan Masyarakat)* 7, no. 1 (2020), https://doi.org/10.21831/JPPM.V7I1.29707.

[7] S. Zulu-Chisanga, M. Chabala, and B. Mandawa-Bray, "The Differential Effects of Government Support, Inter-Firm Collaboration and Firm Resources on SME Performance in a Developing Economy," *Journal of Entrepreneurship in Emerging Economies* (2020), https://doi.org/10.1108/jeee-07-2019-0105.

[8] H. Fandeli, A. Hasan, and E. Amrina, "Model konseptual pengaruh keberlanjutan terhadap kinerja industri kecil dan menengah," *Dampak* 17, no. 1 (2020): 15–24, https://doi.org/10.25077/DAMPAK.17.1.15-24.2020.

[9] N. Ermawati and N. R. Arumsari, "Sistem informasi akuntansi pada kinerja usaha kecil menengah," *Jurnal Bisnis dan Akuntansi* 23, no. 1 (2021), https://doi.org/10.34208/jba.v23i1.973.

[10] Fandeli, Hasan, and Amrina, "Model konseptual."

[11] M. I. Nasution et al., "The Quality of Small and Medium Enterprises Performance Using the Structural Equation Model-Part Least Square (SEM-PLS)," *Journal of Physics: Conference Series* 1477 (2020).

management.[12] Sustainability indicators encompassing social, environmental, and economic dimensions have become key drivers of SME success.[13]

The Government Support

Government support programs for SMEs play a critical role in fostering economic growth and development by offering financial and non-financial assistance to address challenges such as resource constraints and information asymmetry.[14] In Indonesia, the government acts as a facilitator, regulator, and catalyst in SME development.[15] Local governments are particularly important in providing capital, equipment, and supportive policies.[16] The legal framework supporting SMEs in Indonesia includes Law No. 32/2004, Law No. 33/2004, and Law No. 20/2008. Government support can affect SME performance either directly or indirectly through stimulating innovation;[17] however, the effectiveness of such support varies across contexts.[18]

Inter-Firm Collaboration

Inter-firm collaboration plays a significant role in enhancing SME performance and export capabilities in developing economies. Government-supported broker firms facilitate collaboration formation and development among SMEs by reproducing institutional logics.[19] Networking collaboration has been shown to have a positive impact on SME performance, with the quality of value co-creation as an important mediator.[20] The capability to build collaboration within networks significantly influences SME marketing performance.[21] Research further suggests

[12] W. W. Winarto, "Pengaruh knowledge management terhadap peningkatan kinerja UMKM dengan kompetensi sebagai variabel moderasi," *Business Management Analysis Journal (BMAJ)* 3, no. 2 (2020), https://doi.org/10.24176/bmaj.v3i2.5052.

[13] Fandeli, Hasan, and Amrina, "Model konseptual."

[14] Satish Kumar and Pushpender Singh, "An Analysis of Government Support Programs for Small Business Development and Growth," *Scholedge International Journal of Business Policy & Governance* (2023), https://doi.org/10.19085/sijbpg100201.

[15] M. F. Sumadi and A. Prathama, "Peran pemerintah daerah dalam pengembangan usaha mikro kecil dan menengah (UMKM) 'handycraft' limbah kayu jati sebagai produk unggulan Kabupaten Bojonegoro," *Syntax Literate: Jurnal Ilmiah Indonesia* 6, no. 5 (2021), https://doi.org/10.36418/syntax-literate.v6i5.2701.

[16] W. Hartanti, "Peran pemerintah kelurahan dalam pengembangan UMKM," *Indonesian Journal of Strategic Management* 4, no. 1 (2021), https://doi.org/10.25134/ijsm.v4i1.3952.

[17] N. V. Feranita, A. Nugraha, and S. A. Sukoco, "The Role of Government Support for Innovation and Performance of SMEs," *Politico* 19, no. 2 (2020), https://doi.org/10.32528/POLITICO.V19I2.2932.

[18] Kumar and Singh, "Analysis of Government Support."

[19] Ying Zhang, "Exploring Inter-Firm Collaboration Processes of Small- and Medium-Sized Enterprises: An Institutional Logics Perspective," *Entrepreneurship & Regional Development* (2022), https://doi.org/10.1080/08985626.2022.2103745.

[20] M. H. Saputra, "Meningkatkan kinerja UKM dengan membangun kolaborasi jejaring UKM," *SEGMEN: Jurnal Manajemen dan Bisnis* 18, no. 2 (2022), https://doi.org/10.37729/sjmb.v18i2.7985.

[21] E. Ardyan et al., "Pentingnya kekuatan merespon pelanggan dan kapabilitas membangun kolaborasi di dalam peningkatan kinerja pemasaran UKM: Pendekatan SMEs agility," *INOBIS: Jurnal Inovasi Bisnis dan Manajemen Indonesia* 6, no. 3 (2023), https://doi.org/10.31842/jurnalinobis.v6i3.284.

that inter-firm collaboration positively affects SME performance and acts as a mediator between business strategies and performance.[22]

Managerial Connection

Managerial connections are essential in the networked economy, facilitating SMEs' responses to cross-border competition.[23] Managerial skills, including the ability to build and maintain connections, significantly influence SME performance.[24] Managerial competence exerts an indirect impact on SME performance through shaping entrepreneurial orientation and readiness for change.[25] Entrepreneurial management practices can create competitive advantage and drive superior performance in SMEs.[26]

Firm Resources

Intellectual capital comprising human, organizational, and relational capital—significantly impacts SME performance.[27] Market, entrepreneurial, and learning orientations, viewed as capabilities, collaboratively contribute to competitive advantage and improved firm performance.[28] Research in Zambia found that firm resources mediate the relationship between government support, inter-firm collaboration, managerial connections, and SME performance,[29] establishing firm resources as a critical mediating mechanism.

The Relationship Between Government Support and SME Performance

Government support plays an essential role in the development of SMEs in Indonesia. Research shows that government involvement significantly influences SMEs' innovation capacity

[22] A. Hoetoro, "The Dynamics of Performance Improvement among SMEs Clusters in East Java," in *Proceedings of the 23rd Asian Forum of Business Education (AFBE 2019)* (2020), https://doi.org/10.2991/aebmr.k.200606.051.

[23] E. Vătămănescu and A. Mitan, *Managerial Relationships and SMEs Internationalization* (2023), https://doi.org/10.4324/9781003432326.

[24] I. Ahmad and S. B. Ahmad, "Effect of Managerial Skills on the Performance of Small- and Medium-Sized Enterprises: A Case Study in Pakistan," *Journal of Asian Finance, Economics and Business* 8, no. 4 (2021): 161–70, https://doi.org/10.13106/JAFEB.2021.VOL8.NO4.0161.

[25] R. Zacca and M. Dayan, "Linking Managerial Competence to Small Enterprise Performance within the Dynamic Capability Logic," *Journal of Small Business and Enterprise Development* 25 (2018): 256–76, https://doi.org/10.1108/JSBED-02-2017-0042.

[26] I. Otache and T. O. Usman, "Entrepreneurial Management, Competitive Advantage and SME Performance: Evidence from an Emerging Economy," *European Business Review* (2024), https://doi.org/10.1108/ebr-11-2023-0359.

[27] B. X. Bien, "How to Enhance Firm Performance: The Case of Small and Medium Enterprises in Vietnam," 2020, Semantic Scholar Corpus ID: 249523310; N. T. Vu et al., "How to Enhance Firm Performance: The Case of Small and Medium Enterprises in Vietnam," *Journal of Southwest Jiaotong University* 54, no. 6 (2019), https://doi.org/10.35741/issn.0258-2724.54.6.34.

[28] S. C. Lonial and R. E. Carter, "The Impact of Organizational Orientations on Medium and Small Firm Performance: A Resource-Based Perspective," *Journal of Small Business Management* 53 (2015): 94–113, https://doi.org/10.1111/jsbm.12054.

[29] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

and marketing performance.[30] Considering the crucial role of SMEs in national economic growth, especially during economic crises, greater attention from both the government and society is necessary.[31] Financial and non-financial government support positively impacts SME performance, both directly and indirectly, through innovation and sustained competitive positioning.[32] Studies indicate that government support policies enhance SMEs' entrepreneurial orientation, which in turn improves their performance.[33] The correlation between government support and SME performance is impacted by factors such as absorptive capacity.[34] Tailored government policies can maximize their impact by considering sectoral differences and growth intentions.[35] Overall, government support helps SMEs overcome resource constraints, achieve sustainable competitive positions, and enhance performance, ultimately supporting economic and sustainable development.[36] Thus, the first hypothesis proposed:

H1: government support is positively related to SME performance.

The Relationship Between Inter-firm Collaboration and SME Performance

Research indicates that inter-company connections significantly impact SME performance. Supply chain integration and value creation among firms positively influence business performance, with innovation capability acting as a mediator in this relationship.[37] Network collaboration, particularly with customers and R&D organizations, enhances SMEs' economic performance through innovation and internationalization.[38] Similarly, industrial

[30] N. Farida, "Peran government, industry dalam peningkatan kinerja pemasaran UKM," *Jurnal Administrasi Bisnis* 8, no. 1 (2019), https://doi.org/10.14710/jab.v8i1.23961.

[31] M. J. Hafsah, "Upaya pengembangan usaha kecil dan menengah (UKM)," 2015, Semantic Scholar Corpus ID: 168363975.

[32] Feranita, Nugraha, and Sukoco, "Role of Government Support"; S. Yang et al., "The Role of Government Support in Sustainable Competitive Position and Firm Performance," *Sustainability* 10, no. 10 (2018): 3495, https://doi.org/10.3390/SU10103495; J. B. Shamsuddin et al., "Malaysian SMEs Performance and the Government Business Support Service: The Moderating Effects of Absorptive Capacity," *International Journal of Supply Chain Management* 6 (2017): 326–31.

[33] V. Prasannath et al., "Impact of Government Support Policies on Entrepreneurial Orientation and SME Performance," *International Entrepreneurship and Management Journal* (2024), https://doi.org/10.1007/s11365-024-00993-3.

[34] Shamsuddin et al., "Malaysian SMEs Performance."

[35] Prasannath et al., "Impact of Government Support Policies."

[36] Yang et al., "Role of Government Support in Sustainable"; Prasannath et al., "Impact of Government Support Policies."

[37] H. Tian et al., "Supply Chain Integration, Interfirm Value Co-Creation and Firm Performance Nexus in Ghanaian SMEs: Mediating Roles of Stakeholder Pressure and Innovation Capability," *Sustainability* 13, no. 4 (2021): 2351, https://doi.org/10.3390/SU13042351.

[38] R. D. Singh et al., "Network Cooperation and Economic Performance of SMEs: Direct and Mediating Impacts of Innovation and Internationalisation," *Journal of Business Research* (2022), https://doi.org/10.1016/j.jbusres.2022.04.032.

connection instruments and a supportive industry connection climate positively affect organizational performance in Indonesian firms.[39]

Network capability holds an essential role in promoting innovation performance through inter-organizational information sharing and joint learning, creating a reinforcing cycle.[40] Network resources accessed through inter-company ties contribute to organizational agility, which mediates the relationship between network resources and firm performance.[41] The structure of inter-organizational connections also matters, with both sparse and well-connected networks benefiting SME innovation. Notably, the combined effect of these connection types is essential for achieving optimal innovation outcomes.[42] As a result, the second hypothesis proposed:

H2: inter-firm collaboration is positively related to SME performance.

The Relationship Between Managerial Connections and SME Performance

Recent research emphasizes the critical of managerial factors in SME performance. Entrepreneurial management practices can create a competitive advantage and drive superior performance in SMEs.[43] Managerial competence has an indirect impact SME performance through shaping entrepreneurial orientation and readiness for change.[44] Studies on SME performance emphasize the role of managerial factors and corporate governance. Managerial competence and entrepreneurial orientation positively impact SME performance, with entrepreneurial orientation acting as a partial mediator.[45] Managerial coaching also enhances employee performance, both directly and indirectly through intrinsic motivation.[46] In Malaysia, dimensions of entrepreneurial leadership like emotional intelligence, accountability, and

[39] M. Faisal et al., "Business Environment Turbulence and Industrial Connections Instruments as Determinants of Firm Performance Mediated by an Industrial Connections Climate," *Sustainability* 14, no. 19 (2022): 12150, https://doi.org/10.3390/su141912150.

[40] N. Garousi Mokhtarzadeh et al., "Investigating the Impact of Networking Capability on Firm Innovation Performance: Using the Resource-Action-Performance Framework," *Journal of Intellectual Capital* (2020), https://doi.org/10.1108/jic-01-2020-0005.

[41] H. Liu and H. Yang, "Network Resource Meets Organizational Agility," *Management Decision* 58 (2020): 58–75, https://doi.org/10.1108/MD-10-2017-1061.

[42] L. Liang et al., "The Combined Network Effect of Sparse and Interlocked Connections in SMEs' Innovation," *Technological Forecasting and Social Change* (2020), https://doi.org/10.1016/j.techfore.2020.120488.

[43] Otache and Usman, "Entrepreneurial Management."

[44] Zacca and Dayan, "Linking Managerial Competence."

[45] S. Shafiee, A. Ramli, and S. Othman, "Kompetensi pengurusan dan prestasi perniagaan: Orientasi keusahawanan sebagai pengantara dalam PKS Malaysia," *Jurnal Pengurusan* 66 (2022), https://doi.org/10.17576/pengurusan-2022-66-12.

[46] Y. A. Nugroho et al., "Mempertahankan kinerja karyawan UMKM: Analisis pengaruh managerial coaching dan motivasi intrinsik," *Value: Jurnal Manajemen dan Akuntansi* 16, no. 2 (2021), https://doi.org/10.32534/JV.V16I2.2016.

responsibility positively influence micro-enterprise performance and sustainability.[47] As a result, the third hypothesis proposed:

H3: managerial connection is positively related to SME performance.

The Mediating Role of Firm Resources in the Relationship Between Government Support and Financial Performance

Firm resources, especially financial resources, hold a essential role in the financial performance of SMEs. Government support, such as grants and loans, can boost entrepreneurial orientation and strategic renewal, which subsequently improves financial performance.[48] The correlation between inter-firm collaboration and financial performance is mediated by firm resources, highlighting the importance of resource mobilization in translating external support into financial success.[49] thus, the fourth hypothesis proposed:

H4a: firm resources mediate the relationship between government support and financial performance.

The Mediating Role of Firm Resources in the Relationship Between Inter-Firm Collaboration and Financial Performance

Internal firm resources, such as human capital and managerial competencies, are critical for enhancing SME performance. These resources positively impact business strategies and competitive advantage, which in turn improve financial outcomes.[50] The ability to leverage these resources through inter-firm collaborations further amplifies performance, making firm resources a key mediator in this relationship.[51] As a result, the fifth hypothesis proposed:

H4b: firm resources mediate the relationship between inter-firm collaboration and financial performance.

[47] A. A. Mamun et al., "Entrepreneurial Leadership, Performance, and Sustainability of Micro-Enterprises in Malaysia," *Sustainability* 10 (2018): 1591, https://doi.org/10.3390/SU10051591.

[48] C. Shu et al., "Government Institutional Support, Entrepreneurial Orientation, Strategic Renewal, and Firm Performance in Transitional China," *International Journal of Entrepreneurial Behavior & Research* (2019), https://doi.org/10.1108/IJEBR-07-2018-0465.

[49] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[50] T. Siswanti, "Analisis pengaruh faktor internal dan eksternal terhadap kinerja usaha mikro kecil dan menengah (UMKM)," 2020, https://doi.org/10.35968/.V5I2.430; W. Febrianti and B. Abdulah, "Dampak pengelolaan sumber daya manusia usaha mikro, kecil dan menengah dari segi kompetensi terhadap kinerja UMKM (studi kasus: UMKM Desa Trusmi-Cirebon)," *Syntax Literate: Jurnal Ilmiah Indonesia* 6, no. 3 (2021), https://doi.org/10.36418/SYNTAX-LITERATE.V6I3.1691.

[51] N. V. Feranita and H. A. Setiawan, "Lingkungan internal dan kinerja UMKM: Peran mediasi dari keunggulan bersaing," *Majalah Ilmiah Dian Ilmu* 19, no. 2 (2020), https://doi.org/10.37849/midi.v19i2.188.

The Mediating Role of Firm Resources in the Relationship Between Managerial Connections and Financial Performance

Effective financial management and strong managerial capabilities are essential for long-term SME success. Proper management of financial and human resources enhances operational efficiency and ensures sustainability, especially in competitive environments.[52] Managerial connections, through shared knowledge and expertise, contribute to better decision-making, which ultimately strengthens financial performance. As a result, the sixth hypothesis proposed:

> *H4c: firm resources mediate the relationship between managerial connection and financial performance.*

In this research, The Impact of the financial performance improvement of SMEs in the Jabodetabek Region can be influenced by various factors, namely factors that shaped by government support, inter-firm collaboration, managerial connections, and firm resources. Figure 1 illustrates the proposed research framework assesses the effect of government support, inter-firm collaboration, managerial connections, and firm resources on the financial performance of SMEs:

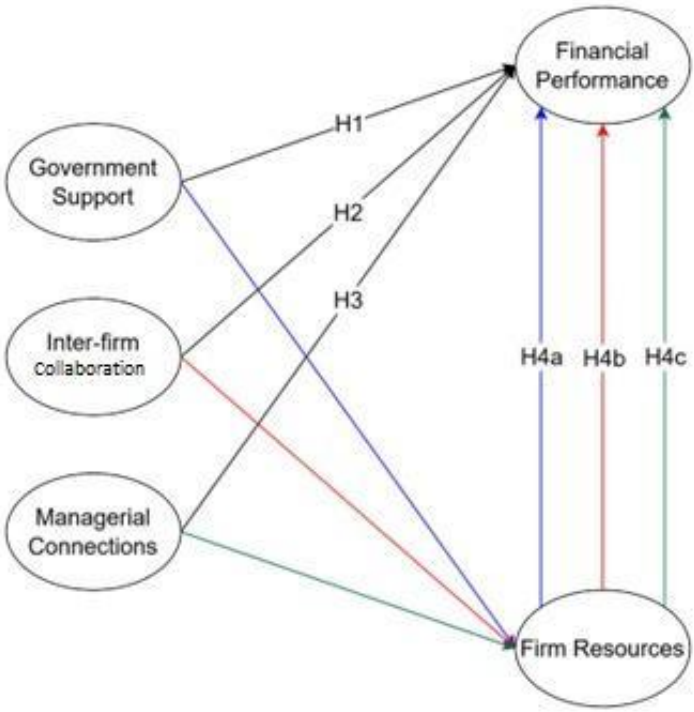


Figure 1**.** Conceptual Framework
Source: Authors' conceptual framework.

[52] I. W. Mustika et al., "Penguatan manajerial dan keuangan kelompok usaha Selaras Banjarnegara," 2020, https://www.semanticscholar.org/paper/PENGUATAN-MANAJERIAL-DAN-KEUANGAN-KELOMPOK-USAHA-Mustika-Wirato/ff0e443b2b98652456d51d87f77a2c6c6f7b88a2.

RESEARCH METHODS

This study used a quantitative, associative method with a cross-sectional approach, distributing closed-ended questionnaires measured on a five-point Likert scale. With 5 variables and 27 indicators, a minimum sample size of 135 SMEs was required, and 229 valid responses were collected from SMEs in JABODETABEK. To ensure data validity, a rigorous screening process was implemented starting from pre-screening questions to demographic verification and pattern analysis to ensure only qualified respondents completed the survey. The sampling method used was non-probability purposive sampling, targeting SME owners aged 18–34 involved in the creative economy. Questionnaires were distributed online via social media, SME communities, and business networks, focusing on relevance and structured data collection.

The research model adapted Zulu-Chisanga's framework from Zambia,[53] incorporating variables such as firm resources (FRS), government support (GSP), inter-firm collaboration (IFC), and managerial connection (MGC). The study employed Partial Least Squares Structural Equation Modeling (PLS-SEM), a statistical method suitable for analyzing complex models with small samples, non-normal data, and both formative and reflective constructs. Developed by Herman Wold, PLS-SEM estimates measurement and structural paths separately, making it ideal for studies with multiple constructs and indicators. Its predictive focus enables robust in-sample and out-of-sample evaluations, ensuring explanatory strength and prediction accuracy in structural models.

RESULTS AND DISCUSSION

Screening questions were administered at the beginning of the questionnaire to exclude respondents residing outside the Jabodetabek region. Table 1 presents an overview of the characteristics of the 229 respondents, all of whom were SME owners residing in the Jabodetabek area.

Table 1**.** Respondents Characteristics

Characteristics	Frequency	Percentage (%)
Genders		
Male	133	57,8 %
Female	96	42,2 %
Age		
18-23 Years Old	13	5,7 %
24-29 Years Old	28	12,2 %
30-34 Years Old	103	44,8%
> 34 Years Old	85	37,4%
Income (Bruto)		

[53] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

Characteristics	Frequency	Percentage (%)
< Rp 100.000.000	63	27,51 %
Rp 100.000.001 – Rp 200.000.000	115	50,22 %
Rp 200.000.001 – Rp 300.000.000	39	17,03 %
Rp 300.000.001 – Rp 400.000.000	8	3,49 %
> Rp 500.000.000	4	1,75 %

Source: Primary data, processed by the authors.

The majority of respondents were male (57.8%), while female respondents comprised 42.2% of the total sample. Most respondents fell within the 30–34 age group (44.8%), followed by those above 34 years old (37.4%). In terms of income, the largest proportion (50.22%) reported annual gross earnings between IDR 100,000,001 and IDR 200,000,000, indicating an intermediate SME scale.

Table 2. Mean Indicator and Loading Factor

Variable	Indicator	Mean	Loading Factors	t-Stat	Note
	FRS1	3,175	0.850	45.437	Valid
	FRS2	2,956	0.878	60.661	Valid
Firm	FRS3	2,93	0.839	41.876	Valid
Resources	FRS4	2,869	0.839	41.193	Valid
	FRS5	3,044	0.792	25.761	Valid
	FRS6	3,044	0.738	19.378	Valid
	GSP1	2,699	0.875	48.037	Valid
	GSP2	2,646	0.840	37.059	Valid
Government	GSP3	2,611	0.841	32.755	Valid
Support	GSP4	2,703	0.871	57.969	Valid
	GSP5	2,555	0.882	55.172	Valid
	GSP6	2,424	0.862	43.454	Valid
	IFC1	3,205	0.834	32.204	Valid
	IFC2	3,188	0.847	39.627	Valid
Inter-Firm	IFC3	3,157	0.871	56.078	Valid
Collaboration	IFC4	3,17	0.898	74.898	Valid
	IFC5	3,118	0.835	31.757	Valid
	IFC6	3,157	0.842	33.109	Valid
	MGC1	3,24	0.799	26.200	Valid
Managerial	MGC2	2,996	0.833	36.983	Valid
Connection	MGC3	3,17	0.841	45.505	Valid
	MGC4	3,009	0.862	55.280	Valid
	PRF1	3,629	0.776	23.949	Valid
Financial	PRF2	3,306	0.833	34.642	Valid
Performance	PRF3	3,467	0.792	33.194	Valid
	PRF4	3,284	0.814	33.174	Valid
	PRF5	3,096	0.787	30.653	Valid

Source: Primary data, processed by the authors.

Table 3 presents the discriminant validity results using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. Based on the Fornell-Larcker criterion, the square root of the AVE for each latent variable exceeds its correlations with all other latent variables, confirming good discriminant validity. All HTMT values fall below the recommended threshold of 0.90,[54] confirming that each construct is empirically distinct.

Table 3. Discriminant Validity

	Fornell-Larcker Criterion					HTMT				
	Financial Performance	**Firm Resources**	**Government Support**	**Inter-firm Collaboration**	**Managerial Connections**	**Financial Performance**	**Firm Resources**	**Government Support**	**Inter-firm Collaboration**	**Managerial Connections**
Financial Performance	0,800									
Firm Resources	0,705	0,824				**0,794**				
Government Support	0,554	0,657	0,862			**0,611**	**0,712**			
Inter-firm Collaboration	0,608	0,709	0,745	0,855		**0,678**	**0,772**	**0,800**		
Managerial Connections	0,592	0,665	0,638	0,633	0,834	**0,682**	**0,753**	**0,705**	**0,704**	

Source: Primary data, processed by the authors.

The Financial Performance variable has an AVE value of 0.641, indicating that its five indicators account for 64.1% of the information. The Firm Resources variable has an AVE value of 0.679, meaning its six indicators contribute 67.9% of the information. The Government Support variable, with an AVE value of 0.743, signifies that its six indicators explain 74.3% of the information. The inter-firm collaboration variable has an AVE value of 0.731, representing a 73.1% informational contribution from its six indicators. Lastly, the Managerial Connection variable has an AVE value of 0.696, showing that its four indicators capture 69.6% of the information.

Table 4. Reliability Tests

	Cronbach's Alpha	**rho_A**	**Composite Reliability**	**Average Variance Extracted (AVE)**
PRF	0.860	0.864	0.899	0.641
FRS	0.905	0.907	0.927	0.679
GSP	0.931	0.934	0.946	0.743
IFC	0.926	0.927	0.942	0.731
MGC	0.854	0.860	0.901	0.696

Source: Primary data, processed by the authors.

[54] A. S. Yusoff et al., "Discriminant Validity Assessment of Religious Teacher Acceptance: The Use of HTMT Criterion," *Journal of Physics: Conference Series* 1529 (2020), https://doi.org/10.1088/1742-6596/1529/4/042045.

Table 4 summarizes the reliability statistics for all constructs. Composite Reliability (CR) values range from 0.899 to 0.946 (all exceeding the 0.70 threshold), Cronbach's Alpha values range from 0.854 to 0.931, rho_A values range from 0.860 to 0.934, and AVE values range from 0.641 to 0.743 (all exceeding 0.50). These results confirm that all constructs demonstrate satisfactory internal consistency and reliability.[55]

Table 5. Hypothesis Tests & F Square Tests

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Notes	F Square (F^2)	F Square Result
Government Support -> Financial Performance	0,027	0,028	0,079	0,338	**0,735**	H1 rejected	0,001	No Effect
Inter-Firm Collaboration-> Financial Performance	0,148	0,146	0,091	1,630	**0,103**	H2 rejected	0,017	No Effect
Managerial Connections -> Financial Performance	0,169	0,172	0,070	2,429	**0,015**	H3 accepted	0,029	Weak Effect
Government Support mediate Firm Resources to Financial Performance	0,172	0,176	0,082	2,087	**0,037**	H4a accepted	0,029	Weak Effect
Inter-Firm Collaboration-mediate Firm Resources to Financial Performance	0,384	0,383	0,074	5,198	**0,000**	H4b accepted	0,145	Medium Effect
Managerial Connections mediate Firm Resources to Financial Performance	0,312	0,310	0,062	5,033	**0,000**	H4c accepted	0,128	Medium Effect

Source: Primary data, processed by the authors.

Relationship government support → financial performance, the Path Coefficients is 0.027, meaning that an increase of one standard deviation in government support will increase financial performance by 0.027 standard deviations. However, with a P-Value of 0.735, above 0.05, there is no significant effect between government support and financial performance. This observation aligns with the research of some studies that have not found a significant direct relationship between government financial support and the financial performance of SMEs.[56]

[55] J. F. Hair et al., "An Introduction to Structural Equation Modeling," in *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R* (Cham: Springer, 2021), https://doi.org/10.1007/978-3-030-80519-7_1.

[56] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects"; O. Jayeola et al., "Do Small and Medium Enterprises (SMEs) Need Government Financial Support to Successfully Implement Cloud ERP for Better Performance?" *International Journal of Academic Research in Business and Social Sciences* 12, no. 2 (2022), https://doi.org/10.6007/IJARBSS/v12-i2/12361.

For the relationship inter-firm collaboration → financial performance, the Path Coefficients is 0.148, indicating that an increase of one standard deviation in inter-firm connection will increase Financial performance by 0.148 standard deviations. However, with a P-Value of 0.103, above 0.05, there is no significant effect between inter-firm collaboration and financial performance. Conversely, for the relationship inter-firm collaboration→ firm resources, the Path Coefficients of 0.384 indicates a significant effect, with a P-Value of 0.000, under 0.05.

Furthermore, the Path Coefficients for managerial connections → financial performance is 0.169, meaning that an increase of one standard deviation in managerial connections will increase financial performance by 0.169 standard deviations. With a P-Value of 0.015, under 0.05, this indicates that managerial connections have a significant effect on financial performance. Similarly, the relationship managerial connections → firm resources has a Path Coefficients of 0.312, with a P-Value of 0.000, showing a significant effect of managerial connections on firm resources. Managerial connections were found to have both direct and indirect impacts on financial performance.[57] Managerial connection does influence firm resources with the coefficients of managerial connection is 0,312, indicating that the result is statically significant

For the relationship government support → firm resources, the Path Coefficients is 0.172, indicating that an increase of one standard deviation in government support will increase firm resources by 0.172 standard deviations. With a P-Value of 0.037, under 0.05, there is a significant effect between government support and firm resources. financial performance with coefficients of inter-firm collaboration is 0,148, suggesting that the result is not statistically significant. This observation is consistent with the study that has been executed, the relationship between companies and financial performance is not significant for SMEs.[58]

The Path Coefficients for inter-firm collaboration → firm resources is 0.384, signifying a stronger relationship. The P-Value of 0.000 confirms statistical significance, and the F Square value of 0.145 suggests a medium effect size. Inter-firm collaboration plays a crucial role in enhancing resource access, knowledge sharing, and innovation capacity. Informal networks enable SMEs to exchange knowledge resources, improve their knowledge base, and gain social connectivity.[59]

The Path Coefficients for Managerial Connections → Firm Resources is 0.312, showing a positive impact. The P-Value of 0.000 establishes statistical significance, while the F Square

[57] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[58] C. Baah et al., "Examining the Correlations between Stakeholder Pressures, Green Production Practices, Firm Reputation, Environmental and Financial Performance: Evidence from Manufacturing SMEs," *Sustainable Production and Consumption* (2020), https://doi.org/10.1016/j.spc.2020.10.015.

[59] C. Martín-Ríos, N. Erhardt, and I. M. Manev, "Interfirm Collaboration for Knowledge Resources Interaction among Small Innovative Firms," *Journal of Business Research* (2022), https://doi.org/10.1016/j.jbusres.2022.08.024.

value of 0.128 indicates a medium effect size. Recent studies highlight the importance of managerial ties and inter-firm collaboration for SME performance and competitiveness. Managerial social ties facilitate alliance formation, particularly benefiting poorly embedded firms.[60] These ties have both direct and indirect effects on financial performance through firm resources.[61]

These results indicate that various factors such as firm resources, government support, inter-firm collaboration, and managerial connections have varying effects on both financial performance and firm resources. Figures 2 in the SEM model illustrate the detailed relationships between these variables, with the Path Coefficients and P-Values highlighting significant and non-significant effects within the model.

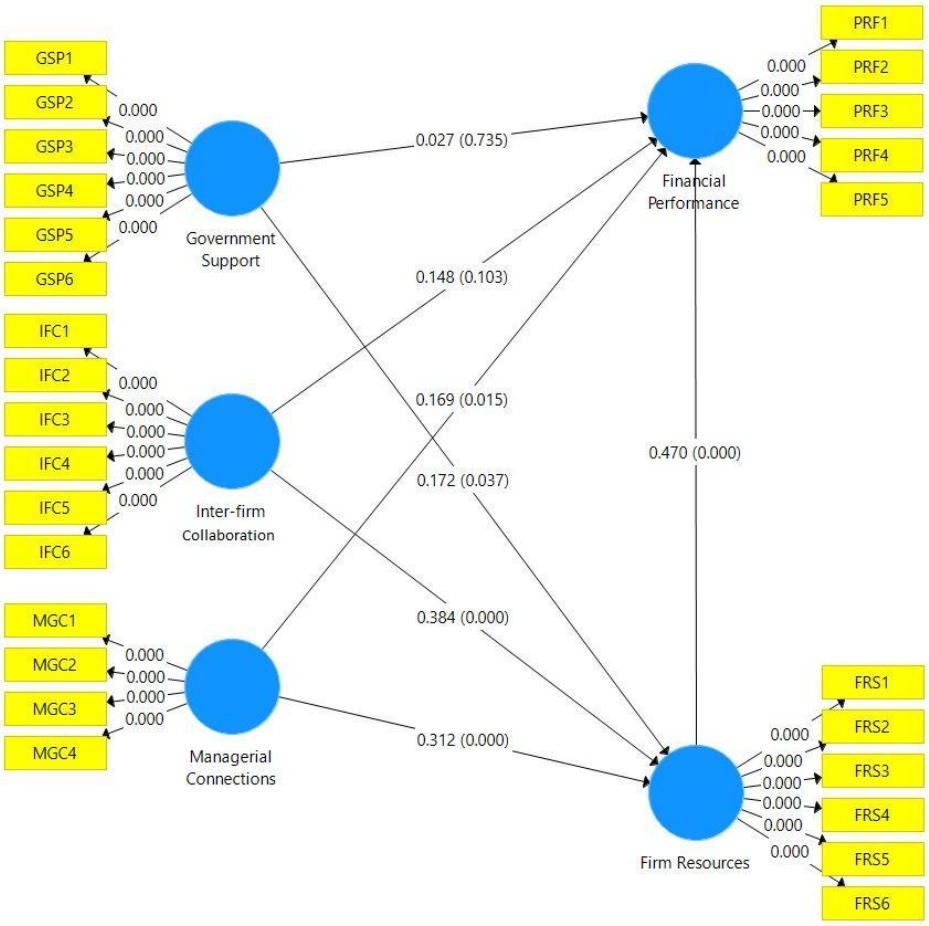


Figure 2. SEM Model Path Coefficient and Inner Model P-Value

Source: PLS-SEM output, processed by the authors.

[60] K. Yang, J. Zhu, and M. D. Santoro, "The Effect of Inter-Firm Managerial Social Ties on Alliance Formation: How Poorly Embedded Firms Overcome Network Disadvantages," *British Journal of Management* (2021), https://doi.org/10.1111/1467-8551.12537.

[61] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

Figure 2 presents the full SEM model of the study findings, showing the parameter values for each observed variable (indicator), exogenous latent variable, and endogenous variable. The detailed results of the effect calculations for each dimension on the variables are provided. The path coefficients and p-values indicate the impact, where the variables in the columns represent predictor latent variables, and the variables in the rows represent the criteria.

The coefficient of determination (R^2) measures how much the independent variable construct explains the variation in the dependent variable construct. As shown in Table 6, the R^2 values range from 0 to 1. R^2 values between 0.25 and 0.49 are considered weak, between 0.50 and 0.74 are moderate, and R^2 values above 0.75 are deemed strong.[62]

Table 6**.** R Square Tests

	R Square	R Square Adjusted
Financial Performance	0,536	0,528
Firm Resources	0,593	0,587

Source: Primary data, processed by the authors.

The R^2 value for financial performance is 0.536, indicating a moderate coefficient of determination, whereby exogenous variables (government support, inter-firm collaboration, managerial connection, and firm resources) explain 53.6% of the variance in SME financial performance.[63] Firm resources yield an R^2 of 0.593, signifying that 59.3% of their variance is accounted for by the exogenous variables. Predictive relevance (Q^2) was computed as:

$$Q^2 = 1 – (1 – 0.528)\ (1 – 0.587) = 1 – (0.472)\ (0.413) = 1 – 0.194 = 0.806$$

The Q^2 value of 0.806 (> 0) confirms excellent predictive relevance of the structural model.[64]

Managerial Implication

Theoretical Implications

The Relationship Between Government Support, Firm Resources, and Financial Performance

This study discovers that **government support** indicates a positive but not significant effect on both **firm resources** and **financial performance**. Research on government support and firm performance in emerging economies has inconsistent results. While some studies found no

[62] T. Hayes, "R-Squared Change in Structural Equation Models with Latent Variables and Missing Data," *Behavior Research Methods* 53, no. 5 (2021): 2127–57, https://doi.org/10.3758/s13428-020-01532-y; M. I. Khairi, D. Susanti, and S. Sukono, "Study on Structural Equation Modeling for Analyzing Data," *International Journal of Ethno-Sciences and Education Research* 1, no. 3 (2021): 52–60, https://doi.org/10.46336/ijeer.v1i3.295.

[63] Hayes, "R-Squared Change."

[64] Hair et al., "Introduction to Structural Equation Modeling."

significant direct relationship between government financial support and SME financial performance,[65] related research show that environmental performance, influenced by government policies, positively impacts financial performance.[66] The performance of government support may depend on mediating factors such as firm resources, inter-firm collaboration, and managerial relationships.[67] Interestingly, government ownership has been found to have a negative relationship with financial performance, likely due to a focus on environmental sustainability rather than profit maximization.[68]

The Relationship Between Inter-firm Collaboration, Firm Resources, and Financial Performance

In this study, **inter-firm collaboration** positively affect **firm resources** and **financial performance**, though the effect on financial performance is not significant. The relationship between inter-firm connections, firm resources, and financial performance is complex and multidimensional. Research suggests that collaboration between firms and managerial relationships can contribute positively to financial performance, either directly or indirectly through firm resources.[69] As indicated by previous research, the connection between inter-firm relationships and financial performance may not be significant for SMEs.[70] The resource distribution network concept combines resource-based and network-based perspectives, highlighting the importance of considering resources and relationships beyond direct partnerships.[71] In high-tech industries, inter-firm networks can enhance firm performance through product innovation and export performance, although the mediating effect is smaller than the direct impact of such networks.[72]

The Relationship Between Managerial Connections, Firm Resources, and Financial Performance

In this research, **managerial connections** contribute a significant impact on both **firm resources** and **financial performance**. Recent research has explored the relationship between

[65] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects"; Jayeola et al., "Do Small and Medium Enterprises."

[66] A. W. Mardijuwono et al., "Managing the Firm Environmental and Financial Performance: New Insight from Government Ownership," *Polish Journal of Management Studies* 21 (2020): 256–67, https://doi.org/10.17512/pjms.2020.21.2.18.

[67] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[68] Mardijuwono et al., "Managing the Firm Environmental."

[69] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[70] Baah et al., "Examining the Correlations."

[71] J. Karjalainen, A. Valtakoski, and I. Kauranen, "Interfirm Network Structure and Firm Resources: Towards a Unifying Concept," *Journal of Entrepreneurship, Management and Innovation* (2021), https://doi.org/10.7341/20211737.

[72] Noerlina et al., "The Importance of Interfirm Networks in Enhancing Innovation Capability and Exporting in High-Tech Industry," *HighTech and Innovation Journal* (2022), https://doi.org/10.28991/hij-sp2022-03-05.

managerial connections, firm resources, and financial performance in SMEs. Managerial connections have been found to have both direct and indirect impacts on financial performance, mediated by firm resources.[73] The positive impact of financial resources on sustainability performance is strengthened by managerial attributes such as experience, education, and firm size.[74] Strategic planning plays a mediating role between managerial skills and SME performance, with managerial skills influencing resource utilization through appropriate planning.[75] Human resource management and customer capital management positively affect SME business performance, with technology capital management fully mediating this relationship.[76] These findings emphasize the importance of managerial connections and effective resource management in improving SME performance.

Firm Resources as a Mediator Between Government Support and Financial Performance

In this research, **firm resources** positively and significantly mediate the relationship between **government support** and **financial performance** in SMEs. Research on government support and SME performance has shown varied results. Previous studies suggest that government support policies can affect SME performance directly or indirectly through entrepreneurial orientation.[77] Firm resources play a crucial mediating role between external factors and financial performance. Collaboration between firms and managerial relationships positively impacts SME performance through firm resources.[78] Financial literacy also influences the acquisition of resources and financial performance, with government support moderating this relationship.[79] These findings highlight the complex interactions between government support, firm resources, and SME performance, emphasizing the importance of tailored policies and resource management strategies. While government support can be beneficial, its effectiveness may depend on how such support is utilized to improve firm resources and competitive positioning.

Firm Resources as a Mediator Between Inter-firm Collaboration and Financial Performance

In this study, **firm resources** positively and significantly mediate the relationship between **inter-firm collaboration** and **financial performance** in SMEs. Recent studies have

[73] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[74] M. S. Khattak, Q. Wu, and M. Ahmad, "Influence of Financial Resources on Sustainability Performance of SMEs in Emerging Economy: The Role of Managerial and Firm Level Attributes," *Business Strategy & Development* (2023), https://doi.org/10.1002/bsd2.270.

[75] Ahmad and Ahmad, "Effect of Managerial Skills."

[76] Aurangzeb, M. F. Asif, and M. Amin, "Resources Management and SMEs Performance," *Humanities & Social Sciences Reviews* (2021), https://doi.org/10.18510/HSSR.2021.9367.

[77] Prasannath et al., "Impact of Government Support Policies."

[78] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[79] M. Ishtiaq et al., "The Role of Financial Literacy in Resource Acquisition and Financial Performance: Moderating Role of Government Support," *International Journal of Business and Economics Research* 9 (2020): 29, https://doi.org/10.11648/J.IJBER.20200901.14.

browsed the impact of firm resources and inter-firm relationships on SME performance in emerging economies. Financial resources have been shown to positively affect sustainable SME performance[80] and financial performance.[81] Collaboration between firms and managerial relationships improves financial performance, with firm resources acting as a mediator in this relationship.[82] Access to financial resources moderates the relationship between entrepreneurial orientation and financial performance.[83]

Firm Resources as a Mediator Between Managerial Connections and Financial Performance

In this study, **firm resources** positively and significantly mediate the relationship between **managerial connections** and **financial performance** in SMEs. Research indicates that firm resources hold a essential role in mediating the relationship between managerial capabilities and SME performance. Strategic network resources can elevate firm performance through network identity, which helps attract customers and partners.[84] Several studies emphasize the role of managerial factors such as innovation, entrepreneurial orientation, and passion in effectively utilizing resources to improve financial outcomes.

Practical Implications

The study findings show that the firm resources factor has a positive and significant impact on the financial performance of SMEs. The highest value was found in the indicator FRS 2 (SMEs possess strong skills in obtaining market information), which suggests that the Firm Resources available to SMEs enable them to gain extensive access to market information through various sources. This highlights the importance of SMEs optimizing the use of their resources by strengthening their ability to acquire, manage, and utilize market information. By doing so, SMEs can enhance their competitiveness in both national and international markets.

The next finding reveals that government support has a positive, yet not significant, effect on financial performance in SMEs. The highest value was observed in the indicator GSP 1 (Government agencies provide the necessary technical support, such as training, product

[80] Y. Xin et al., "Do International Resources Configure SMEs' Sustainable Performance in the Digital Era? Evidence from Pakistan," *Resources Policy* (2023), https://doi.org/10.1016/j.resourpol.2022.103169.

[81] A. Memon, Z. Y. An, and M. Q. Memon, "Does Financial Availability Sustain Financial, Innovative, and Environmental Performance? Relation via Opportunity Recognition," *Corporate Social Responsibility and Environmental Management* (2020), https://doi.org/10.1002/CSR.1820.

[82] Zulu-Chisanga, Chabala, and Mandawa-Bray, "Differential Effects."

[83] R. U. Khan et al., "Entrepreneurial Orientation and Small and Medium-Sized Enterprises' Performance: Does 'Access to Finance' Moderate the Relation in Emerging Economies?" *Vision: The Journal of Business Perspective* 25 (2020): 88–102.

[84] J. P. Partanen et al., "Turning Strategic Network Resources into Performance: The Mediating Role of Network Identity of Small- and Medium-Sized Enterprises," *Strategic Entrepreneurship Journal* (2018), https://doi.org/10.1002/SEJ.1296.

management, and marketing, to SMEs). This shows that business owners agree that government agencies play a crucial role to provide technical support to improve the competitiveness and sustainability of SMEs, which ultimately contributes to enhancing their financial performance. Therefore, this provides input for government agencies to conduct further studies and develop concrete steps to implement more effective methods for increasing SME competitiveness through relevant training, product management, and marketing programs that meet the specific needs of SMEs.

Moreover, the research shows that government support has a positive and significant effect on firm resources, with the highest value in the indicator GSP 5 (Government institutions offer dedicated assistance to individuals seeking to establish a new business). This finding suggests that SMEs agree that the government provides targeted support for individuals looking to start new businesses or establish new SMEs in Indonesia. This insight encourages SME owners to take advantage of new business opportunities, as government agencies fully support these initiatives.

The next finding shows that inter-firm connection has a positive but not significant impact on financial performance, although it has a significant effect on firm resources, with the highest value found in the indicator IFC 4 (SMEs maintain good relationships with suppliers). This indicates that while SMEs and suppliers recognize the importance of good relationships, many SMEs fail to consistently maintain these relationships. Factors such as concerns about suppliers becoming competitors, fears of competitors learning about raw material sources, and other complexities contribute to this inconsistency. The practical implication of this finding is that SMEs and suppliers should focus on building mutually beneficial relationships. Strong relationships with suppliers can bring stability in supply and raw material quality. If these relationships are not well-established, it can jeopardize business continuity due to supply disruptions or unhealthy dependencies. Therefore, it is recommended that SMEs and suppliers collaboratively develop strategies for more open, transparent, and supportive relationships to create synergies that contribute to long-term financial performance improvement.

CONCLUSION

This study analyzed the effects of government support, inter-firm collaboration, managerial connection, and firm resources on the financial performance of 229 SMEs in the Jabodetabek region using PLS-SEM. The findings yield four principal conclusions.

First, government support does not directly and significantly affect SME financial performance (H1 rejected; $\beta = 0.027$; $p = 0.735$). However, it positively and significantly influences firm resources ($\beta = 0.172$; $p = 0.037$), and firm resources mediate this relationship to

financial performance (H4a accepted). This indicates that government programs contribute to resource development but have limited direct financial impact.

Second, inter-firm collaboration does not directly influence financial performance (H2 rejected; $\beta = 0.148$; $p = 0.103$) but significantly strengthens firm resources ($\beta = 0.384$; $p = 0.000$; $f^2 = 0.145$, medium effect), with firm resources fully mediating this relationship (H4b accepted). Collaboration among SMEs proves effective in building internal capabilities that ultimately enhance financial outcomes.

Third, managerial connection is the only variable demonstrating a significant direct positive effect on financial performance (H3 accepted; $\beta = 0.169$; $p = 0.015$). It also significantly influences firm resources ($\beta = 0.312$; $p = 0.000$), with firm resources mediating this relationship (H4c accepted; $f^2 = 0.128$). This confirms the strategic centrality of managerial networks as the principal driver of SME performance.

Overall, firm resources emerge as the central mediating mechanism linking external and internal influences to SME financial performance. The model demonstrates excellent predictive relevance ($Q^2 = 0.806$) and moderate-to-substantial explanatory power ($R^2 = 0.536$ for financial performance; $R^2 = 0.593$ for firm resources).

Following the research findings, the researcher suggests several strategic steps for SMEs to improve their financial performance. Firstly, while government support does not exert a significant direct impact on financial performance, technical assistance from the government, such as training, product management, and marketing, can help increase SME competitiveness. It is recommended that government agencies conduct more in-depth studies and develop concrete steps to enhance SME competitiveness through relevant programs tailored to their specific needs. Policies that facilitate access to resources and training will contribute positively to SMEs' financial performance. Secondly, although inter-firm connections have a positive effect on firm resources, they do not significantly affect financial performance. This indicates that while relationships with suppliers are important, many SMEs struggle to maintain them consistently. SMEs are advised to focus on building mutually beneficial relationships with suppliers, reducing uncertainty around suppliers becoming competitors, and preventing information leakage about raw materials.

Strengthening these relationships will provide stability in supply and raw material quality, ultimately benefiting financial performance. The researcher also suggests that business actors consider both internal factors, such as organizational culture, company structure, and human resources, as well as external factors, including government support, technological infrastructure, and industry trends, when making decisions to improve financial performance. Creating an environment that is responsive to new technologies will accelerate adoption and positively impact

financial outcomes. SMEs should also develop effective communication strategies and invest in employee training and technical support to maximize business potential. Lastly, SMEs must adapt to market and regulatory changes, considering the variables studied government support, inter-firm collaboration, managerial connection, and firm resources and adjusting them to the internal and external factors affecting their financial performance. A quick response to market dynamics or relevant policies will provide SMEs with a competitive edge in navigating challenges and seizing opportunities. These recommendations offer a comprehensive approach to improving SME financial performance, ensuring they can effectively navigate both internal and external influences.

BIBLIOGRAPHY

Ahmad, I., and S. B. Ahmad. "Effect of Managerial Skills on the Performance of Small- and Medium-Sized Enterprises: A Case Study in Pakistan." *Journal of Asian Finance, Economics and Business* 8, no. 4 (2021): 161–70. https://doi.org/10.13106/JAFEB.2021.VOL8.NO4.0161.

Anditya, F., B. Aditama, T. Hidayat, and M. Ikhwani. "Strategi bisnis dan kinerja manajerial UKM di Cikarang: Peran komitmen organisasi sebagai pemediasi." 2021. https://doi.org/10.37366/EKOMABIS.V2I01.146.

Ardyan, E., T. Antonio, W. Poernomo, C. C. Perdana, and A. M. Kouwagam. "Pentingnya kekuatan merespon pelanggan dan kapabilitas membangun kolaborasi di dalam peningkatan kinerja pemasaran UKM: Pendekatan SMEs agility." *INOBIS: Jurnal Inovasi Bisnis dan Manajemen Indonesia* 6, no. 3 (2023). https://doi.org/10.31842/jurnalinobis.v6i3.284.

Aurangzeb, M. F. Asif, and M. Amin. "Resources Management and SMEs Performance." *Humanities & Social Sciences Reviews* (2021). https://doi.org/10.18510/HSSR.2021.9367.

Baah, C., D. Opoku-Agyeman, I. S. Acquah, Y. Agyabeng-Mensah, E. Afum, D. Faibil, and F. A. Abdoulaye. "Examining the Correlations between Stakeholder Pressures, Green Production Practices, Firm Reputation, Environmental and Financial Performance: Evidence from Manufacturing SMEs." *Sustainable Production and Consumption* (2020). https://doi.org/10.1016/j.spc.2020.10.015.

Bien, B. X. "How to Enhance Firm Performance: The Case of Small and Medium Enterprises in Vietnam." 2020. Semantic Scholar Corpus ID: 249523310.

Boğa, S., and M. Topçu. "Creative Economy: A Literature Review on Relational Dimensions, Challanges, and Policy Implications." *Economics* 8 (2020): 149–69. https://doi.org/10.2478/eoik-2020-0014.

Chen, H., T. Amoako, C. E. Quansah, S. A. Danso, and D. J. Jidda. "Assessment of the Impact of Management Commitment and Supply Chain Integration on SMEs' Innovation Performance: Moderation Role of Government Support." *Heliyon* 9 (2023). https://doi.org/10.1016/j.heliyon.2023.e15914.

Chumphong, Orisa, S. Srimai, and Wisanupong Potipiroon. "The Resource-Based View, Dynamic Capabilities and SME Performance for SMEs to Become Smart Enterprises." 2020.

Ding, H., O. Vorobjovas-Pinta, and L. Grimmer. "Identifying Firm Resources and Capabilities for Successful Export: The Case of Regional SME Premium Food Producers." *Journal of International Food & Agribusiness Marketing* (2020). https://doi.org/10.1080/08974438.2020.1808553.

Ermawati, N., and N. R. Arumsari. "Sistem informasi akuntansi pada kinerja usaha kecil menengah." *Jurnal Bisnis dan Akuntansi* 23, no. 1 (2021). https://doi.org/10.34208/jba.v23i1.973.

Faisal, M., M. S. Maarif, I. Fahmi, and B. Yulianto. "Business Environment Turbulence and Industrial Connections Instruments as Determinants of Firm Performance Mediated by an Industrial Connections Climate." *Sustainability* 14, no. 19 (2022): 12150. https://doi.org/10.3390/su141912150.

Fandeli, H., A. Hasan, and E. Amrina. "Model konseptual pengaruh keberlanjutan terhadap kinerja industri kecil dan menengah." *Dampak* 17, no. 1 (2020): 15–24. https://doi.org/10.25077/DAMPAK.17.1.15-24.2020.

Farida, N. "Peran government, industry dalam peningkatan kinerja pemasaran UKM." *Jurnal Administrasi Bisnis* 8, no. 1 (2019). https://doi.org/10.14710/jab.v8i1.23961.

Febrianti, W., and B. Abdulah. "Dampak pengelolaan sumber daya manusia usaha mikro, kecil dan menengah dari segi kompetensi terhadap kinerja UMKM (studi kasus: UMKM Desa Trusmi-Cirebon)." *Syntax Literate: Jurnal Ilmiah Indonesia* 6, no. 3 (2021). https://doi.org/10.36418/SYNTAX-LITERATE.V6I3.1691.

Feranita, N. V., A. Nugraha, and S. A. Sukoco. "The Role of Government Support for Innovation and Performance of SMEs." *Politico* 19, no. 2 (2020). https://doi.org/10.32528/POLITICO.V19I2.2932.

Feranita, N. V., and H. A. Setiawan. "Lingkungan internal dan kinerja UMKM: Peran mediasi dari keunggulan bersaing." *Majalah Ilmiah Dian Ilmu* 19, no. 2 (2020). https://doi.org/10.37849/midi.v19i2.188.

Garousi Mokhtarzadeh, N., H. Amoozad Mahdiraji, I. Jafarpanah, V. Jafari-Sadeghi, and S. Cardinali. "Investigating the Impact of Networking Capability on Firm Innovation Performance: Using the Resource-Action-Performance Framework." *Journal of Intellectual Capital* (2020). https://doi.org/10.1108/jic-01-2020-0005.

Hafel, M., M. Umasugi, and R. Pratama. "Scale up aspek manajerial UMKM Kota Ternate di masa pandemi." *Jurnal Abdidas* (2021). https://doi.org/10.31004/abdidas.v2i6.458.

Hafsah, M. J. "Upaya pengembangan usaha kecil dan menengah (UKM)." 2015. Semantic Scholar Corpus ID: 168363975.

Hair, J. F. *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. SAGE, 2014. https://www.researchgate.net/publication/236032728_A_Primer_on_Partial_Least_Squares_Structural_Equation_Modeling.

Hair, J. F., and A. Alamer. "Partial Least Squares Structural Equation Modeling (PLS-SEM) in Second Language and Education Research: Guidelines Using an Applied Example." *Research Methods in Applied Linguistics* (2022). https://doi.org/10.1016/j.rmal.2022.100027.

Hair, J. F., G. T. M. Hult, C. M. Ringle, M. Sarstedt, N. P. Danks, and S. Ray. "An Introduction to Structural Equation Modeling." In *Partial Least Squares Structural Equation Modeling*

(PLS-SEM) Using R. Cham: Springer, 2021. https://doi.org/10.1007/978-3-030-80519-7_1.

Hartanti, W. "Peran pemerintah kelurahan dalam pengembangan UMKM." *Indonesian Journal of Strategic Management* 4, no. 1 (2021). https://doi.org/10.25134/ijsm.v4i1.3952.

Hayes, T. "R-Squared Change in Structural Equation Models with Latent Variables and Missing Data." *Behavior Research Methods* 53, no. 5 (2021): 2127–57. https://doi.org/10.3758/s13428-020-01532-y.

Hermawati, A., C. Anam, and S. Survival. "Penguatan usaha UKM bengkel las Maestro melalui implementasi tata kelola manajerial berbasis POAC di Kelurahan Merjosari Kota Malang." *RESONA: Jurnal Ilmiah Pengabdian Masyarakat* (2021). https://doi.org/10.35906/RESONA.V5I1.635.

Hoetoro, A. "The Dynamics of Performance Improvement among SMEs Clusters in East Java." In *Proceedings of the 23rd Asian Forum of Business Education (AFBE 2019)*. 2020. https://doi.org/10.2991/aebmr.k.200606.051.

Ishtiaq, M., S. Yang, A. A. Hassan, and A. Hayat. "The Role of Financial Literacy in Resource Acquisition and Financial Performance: Moderating Role of Government Support." *International Journal of Business and Economics Research* 9 (2020): 29. https://doi.org/10.11648/J.IJBER.20200901.14.

Jayeola, O., S. Sidek, A. Abd Rahman, A. Mahomed, and J. Hu. "Do Small and Medium Enterprises (SMEs) Need Government Financial Support to Successfully Implement Cloud ERP for Better Performance?" *International Journal of Academic Research in Business and Social Sciences* 12, no. 2 (2022). https://doi.org/10.6007/IJARBSS/v12-i2/12361.

Karjalainen, J., A. Valtakoski, and I. Kauranen. "Interfirm Network Structure and Firm Resources: Towards a Unifying Concept." *Journal of Entrepreneurship, Management and Innovation* (2021). https://doi.org/10.7341/20211737.

Kementerian Keuangan Republik Indonesia. "Kontribusi UMKM dalam Perekonomian Indonesia." KPPN Lubuk Sikaping, Direktorat Jenderal Perbendaharaan, 2023. https://djpb.kemenkeu.go.id/kppn/lubuksikaping/id/data-publikasi/artikel/3134-kontribusi-umkm-dalam-perekonomian-indonesia.html.

Kementerian Koperasi dan UKM. *Pengadaan Jasa Lainnya Tenaga Pendukung Pengembangan Ekosistem Bisnis*. Terms of Reference (TOR), Kementerian Koperasi dan UKM, 2024. https://lpse.kemenkopukm.go.id/eproc4/dl/f50a01d5562e72aaec4705a56a119310a767f156b947d86ac53ce0f307956b76cac121fbd52f9ff5db1fa6062fae73e41ab53581ec120ef07c091d6e910d7ba6627f43956e8cd979fa2af11ccba97ac896833bcebd7f19f983b831bae6d82b05.

Khairi, M. I., D. Susanti, and S. Sukono. "Study on Structural Equation Modeling for Analyzing Data." *International Journal of Ethno-Sciences and Education Research* 1, no. 3 (2021): 52–60. https://doi.org/10.46336/ijeer.v1i3.295.

Khan, R. U., Y. Salamzadeh, H. Kawamorita, and G. Réthi. "Entrepreneurial Orientation and Small and Medium-Sized Enterprises' Performance: Does 'Access to Finance' Moderate the Relation in Emerging Economies?" *Vision: The Journal of Business Perspective* 25 (2020): 88–102.

Khattak, M. S., Q. Wu, and M. Ahmad. "Influence of Financial Resources on Sustainability Performance of SMEs in Emerging Economy: The Role of Managerial and Firm Level Attributes." *Business Strategy & Development* (2023). https://doi.org/10.1002/bsd2.270.

Kono, S., and M. Sato. "The Potentials of Partial Least Squares Structural Equation Modeling (PLS-SEM) in Leisure Research." *Journal of Leisure Research* 54 (2022): 309–29. https://doi.org/10.1080/00222216.2022.2066492.

Kumar, Satish, and Pushpender Singh. "An Analysis of Government Support Programs for Small Business Development and Growth." *Scholedge International Journal of Business Policy & Governance* (2023). https://doi.org/10.19085/sijbpg100201.

Liang, L., A. Alam, G. Sorwar, H. Yazdifar, and R. Eskandari. "The Combined Network Effect of Sparse and Interlocked Connections in SMEs' Innovation." *Technological Forecasting and Social Change* (2020). https://doi.org/10.1016/j.techfore.2020.120488.

Liu, H., and H. Yang. "Network Resource Meets Organizational Agility." *Management Decision* 58 (2020): 58–75. https://doi.org/10.1108/MD-10-2017-1061.

Lonial, S. C., and R. E. Carter. "The Impact of Organizational Orientations on Medium and Small Firm Performance: A Resource-Based Perspective." *Journal of Small Business Management* 53 (2015): 94–113. https://doi.org/10.1111/jsbm.12054.

Mamun, A. A., M. D. Ibrahim, M. N. Yusoff, and S. A. Fazal. "Entrepreneurial Leadership, Performance, and Sustainability of Micro-Enterprises in Malaysia." *Sustainability* 10 (2018): 1591. https://doi.org/10.3390/SU10051591.

Mardijuwono, A. W., S. Kurnianto, B. Basuki, V. N. Rahman, and D. Sucahyati. "Managing the Firm Environmental and Financial Performance: New Insight from Government Ownership." *Polish Journal of Management Studies* 21 (2020): 256–67. https://doi.org/10.17512/pjms.2020.21.2.18.

Martín-Ríos, C., N. Erhardt, and I. M. Manev. "Interfirm Collaboration for Knowledge Resources Interaction among Small Innovative Firms." *Journal of Business Research* (2022). https://doi.org/10.1016/j.jbusres.2022.08.024.

Mehmood, K., M. Yasir, A. Majid, and A. Javed. "Inter-Firm Collaboration and Export Performance: A Mediation Analysis." *JISR Management and Social Sciences & Economics* (2023). https://doi.org/10.31384/jisrmsse/2023.21.2.4.

Memon, A., Z. Y. An, and M. Q. Memon. "Does Financial Availability Sustain Financial, Innovative, and Environmental Performance? Relation via Opportunity Recognition." *Corporate Social Responsibility and Environmental Management* (2020). https://doi.org/10.1002/CSR.1820.

Murdayanti, Y., S. Indriani, E. Gurendrawati, I. G. Ulupui, and S. Suherman. "Pemberdayaan masyarakat UKM dalam mengimplementasikan unique selling proposition dan strategi penentuan harga jual." *JPPM (Jurnal Pendidikan dan Pemberdayaan Masyarakat)* 7, no. 1 (2020). https://doi.org/10.21831/JPPM.V7I1.29707.

Mustika, I. W., A. Wirato, S. Sukirman, and M. Mafudi. "Penguatan manajerial dan keuangan kelompok usaha Selaras Banjarnegara." 2020. https://www.semanticscholar.org/paper/PENGUATAN-MANAJERIAL-DAN-KEUANGAN-KELOMPOK-USAHA-Mustika-Wirato/ff0e443b2b98652456d51d87f77a2c6c6f7b88a2.

Nakku, V. B., F. W. Agbola, M. P. Miles, and A. Mahmood. "The Interrelationship between SME Government Support Programs, Entrepreneurial Orientation, and Performance: A Developing Economy Perspective." *Journal of Small Business Management* 58 (2020): 2–31. https://doi.org/10.1080/00472778.2019.1659671.

Nasution, M. I., M. Fahmi, Jufrizen, Muslih, and M. A. Prayogi. "The Quality of Small and Medium Enterprises Performance Using the Structural Equation Model-Part Least Square (SEM-PLS)." *Journal of Physics: Conference Series* 1477 (2020).

Noerlina, T. N. Mursitama, B. Simatupang, and A. Bandur. "The Importance of Interfirm Networks in Enhancing Innovation Capability and Exporting in High-Tech Industry." *HighTech and Innovation Journal* (2022). https://doi.org/10.28991/hij-sp2022-03-05.

Nugroho, Y. A., D. Hutagalung, M. Asbari, H. Supriatna, and D. Novitasari. "Mempertahankan kinerja karyawan UMKM: Analisis pengaruh managerial coaching dan motivasi intrinsik." *Value: Jurnal Manajemen dan Akuntansi* 16, no. 2 (2021). https://doi.org/10.32534/JV.V16I2.2016.

Nurhalita, S., and Imsar. "Peran pemerintah daerah dalam pemberdayaan usaha mikro kecil menengah (UMKM) di Kabupaten Langkat." *Maro: Jurnal Ekonomi Syariah dan Bisnis* (2022). https://doi.org/10.31949/maro.v5i1.2282.

Orth, U., L. L. Meier, J. L. Bühler, L. C. Dapp, S. Krauss, D. Messerli, and R. W. Robins. "Effect Size Guidelines for Cross-Lagged Effects." *Psychological Methods* 29, no. 2 (2024): 421–33. https://doi.org/10.1037/met0000499.

Otache, I., and T. O. Usman. "Entrepreneurial Management, Competitive Advantage and SME Performance: Evidence from an Emerging Economy." *European Business Review* (2024). https://doi.org/10.1108/ebr-11-2023-0359.

Partanen, J. P., O. Kauppila, F. Sepulveda, and M. Gabrielsson. "Turning Strategic Network Resources into Performance: The Mediating Role of Network Identity of Small- and Medium-Sized Enterprises." *Strategic Entrepreneurship Journal* (2018). https://doi.org/10.1002/SEJ.1296.

Prasannath, V., R. P. Adhikari, S. Gronum, and M. P. Miles. "Impact of Government Support Policies on Entrepreneurial Orientation and SME Performance." *International Entrepreneurship and Management Journal* (2024). https://doi.org/10.1007/s11365-024-00993-3.

Pratiwi, U., P. Ulfah, and P. Lestari. "Pengaruh organisasi pembelajaran terhadap kinerja UMKM di Banyumas." 2020. https://www.semanticscholar.org/paper/PENGARUH-ORGANISASI-PEMBELAJARAN-TERHADAP-KINERJA-Pratiwi-Ulfah/de6b484e8cabcc2fa269e183054a6c9b3cf21827.

Rahadi, D. R. "Analisis sektor usaha kecil & menengah menjadi model kewirausahaan sosial berbasis ekonomi kreatif." 2017. https://doi.org/10.31843/JMBI.V4I2.115.

Raman, D. A., and M. J. Khan. *Marketing Management*. San International, 2024. https://doi.org/10.59646/mm/204.

Risnawati, N. "Profil UMK, permasalahan dan upaya pemberdayaannya di Kabupaten Sumedang." 2018. Semantic Scholar Corpus ID: 149583274.

Rodrigues-Ferreira, A., H. C. Afonso, J. André Mello, and R. M. Amaral. "Creative Economy and the Quintuple Helix Innovation Model: A Critical Factors Study in the Context of Regional Development." *Creativity Studies* (2023). https://journals.vilniustech.lt/index.php/CS/article/view/15709.

Rodríguez-Insuasti, H., N. Montalvan-Burbano, O. Suárez-Rodríguez, M. Yonfá-Medranda, and K. Parrales-Guerrero. "Creative Economy: A Worldwide Research in Business, Management and Accounting." *Sustainability* 14, no. 23 (2022): 16010. https://doi.org/10.3390/su142316010.

Rustiadi, E., D. O. Pribadi, A. E. Pravitasari, G. S. Indraprahasta, and L. O. Iman. "Jabodetabek Megacity: From City Development toward Urban Complex Management System." In *Urban Development Challenges, Risks and Resilience in Asian Mega Cities*. Tokyo: Springer, 2015. https://doi.org/10.1007/978-4-431-55043-3_22.

Saputra, M. H. "Meningkatkan kinerja UKM dengan membangun kolaborasi jejaring UKM." *SEGMEN: Jurnal Manajemen dan Bisnis* 18, no. 2 (2022). https://doi.org/10.37729/sjmb.v18i2.7985.

Shafiee, S., A. Ramli, and S. Othman. "Kompetensi pengurusan dan prestasi perniagaan: Orientasi keusahawanan sebagai pengantara dalam PKS Malaysia." *Jurnal Pengurusan* 66 (2022). https://doi.org/10.17576/pengurusan-2022-66-12.

Shamsuddin, J. B., M. N. Sarkawi, A. R. Jaafar, and N. F. Rahim. "Malaysian SMEs Performance and the Government Business Support Service: The Moderating Effects of Absorptive Capacity." *International Journal of Supply Chain Management* 6 (2017): 326–31.

Shu, C., D. D. Clercq, Y. Zhou, and C. Liu. "Government Institutional Support, Entrepreneurial Orientation, Strategic Renewal, and Firm Performance in Transitional China." *International Journal of Entrepreneurial Behavior & Research* (2019). https://doi.org/10.1108/IJEBR-07-2018-0465.

Singh, R. D., D. Chandrashekar, B. Subrahmanya Mungila Hillemane, A. Sukumar, and V. Jafari-Sadeghi. "Network Cooperation and Economic Performance of SMEs: Direct and Mediating Impacts of Innovation and Internationalisation." *Journal of Business Research* (2022). https://doi.org/10.1016/j.jbusres.2022.04.032.

Siswanti, T. "Analisis pengaruh faktor internal dan eksternal terhadap kinerja usaha mikro kecil dan menengah (UMKM)." 2020. https://doi.org/10.35968/.V5I2.430.

Štreimikienė, D., and T. Kačerauskas. "The Creative Economy and Sustainable Development: The Baltic States." *Sustainable Development* 28 (2020): 1632–41. https://doi.org/10.1002/sd.2111.

Sumadi, M. F., and A. Prathama. "Peran pemerintah daerah dalam pengembangan usaha mikro kecil dan menengah (UMKM) 'handycraft' limbah kayu jati sebagai produk unggulan Kabupaten Bojonegoro." *Syntax Literate: Jurnal Ilmiah Indonesia* 6, no. 5 (2021). https://doi.org/10.36418/syntax-literate.v6i5.2701.

Tian, H., S. K. Otchere, C. P. Coffie, I. A. Mensah, and R. K. Baku. "Supply Chain Integration, Interfirm Value Co-Creation and Firm Performance Nexus in Ghanaian SMEs: Mediating Roles of Stakeholder Pressure and Innovation Capability." *Sustainability* 13, no. 4 (2021): 2351. https://doi.org/10.3390/SU13042351.

Trieu, H., et al. "Information Technology Capabilities and Organizational Ambidexterity Facilitating Organizational Resilience and Firm Performance of SMEs." *Asia Pacific Management Review* (2023). https://doi.org/10.1016/j.apmrv.2023.03.004.

Vătămănescu, E., and A. Mitan. *Managerial Relationships and SMEs Internationalization*. 2023. https://doi.org/10.4324/9781003432326.

Vu, N. T., B. X. Bien, T. M. Thai, T. V. Hải, and N. T. Hung. "How to Enhance Firm Performance: The Case of Small and Medium Enterprises in Vietnam." *Journal of Southwest Jiaotong University* 54, no. 6 (2019). https://doi.org/10.35741/issn.0258-2724.54.6.34.

Wang, et al. "Government Support for SMEs in Response to COVID-19: Theoretical Model Using Wang Transform." *Social Science Research Network* (2020). https://doi.org/10.2139/ssrn.3608646.

Winarto, W. W. "Pengaruh knowledge management terhadap peningkatan kinerja UMKM dengan kompetensi sebagai variabel moderasi." *Business Management Analysis Journal (BMAJ)* 3, no. 2 (2020). https://doi.org/10.24176/bmaj.v3i2.5052.

Xin, Y., R. U. Khan, V. Dagar, and F. Qian. "Do International Resources Configure SMEs' Sustainable Performance in the Digital Era? Evidence from Pakistan." *Resources Policy* (2023). https://doi.org/10.1016/j.resourpol.2022.103169.

Yang, K., J. Zhu, and M. D. Santoro. "The Effect of Inter-Firm Managerial Social Ties on Alliance Formation: How Poorly Embedded Firms Overcome Network Disadvantages." *British Journal of Management* (2021). https://doi.org/10.1111/1467-8551.12537.

Yang, S., M. Ishtiaq, M. Anwar, and H. Ahmed. "The Role of Government Support in Sustainable Competitive Position and Firm Performance." *Sustainability* 10, no. 10 (2018): 3495. https://doi.org/10.3390/SU10103495.

Yanto, H., Kiswanto, S. E. Pramono, and K. W. Jati. "Utilizing Accounting Information for Enhancing Performance of Indonesian SMEs." *Academy of Accounting and Financial Studies Journal* 24 (2020).

Yusnita, M., and D. P. Wibawa. "Menakar peran pemerintah dan akademisi terhadap pengembangan UMKM." *Jurnal Penelitian IPTEKS* (2020). https://doi.org/10.32528/IPTEKS.V5I1.3020.

Yusoff, A. S., F. Peng, F. Z. Razak, and W. A. Mustafa. "Discriminant Validity Assessment of Religious Teacher Acceptance: The Use of HTMT Criterion." *Journal of Physics: Conference Series* 1529 (2020). https://doi.org/10.1088/1742-6596/1529/4/042045.

Zacca, R., and M. Dayan. "Linking Managerial Competence to Small Enterprise Performance within the Dynamic Capability Logic." *Journal of Small Business and Enterprise Development* 25 (2018): 256–76. https://doi.org/10.1108/JSBED-02-2017-0042.

Zahoor, Nadia, and Omar Al-Tabbaa. "Inter-Organizational Collaboration and SMEs' Innovation: A Systematic Review and Future Research Directions." *Scandinavian Journal of Management* (2020). https://doi.org/10.1016/j.scaman.2020.101109.

Zhang, Ying. "Exploring Inter-Firm Collaboration Processes of Small- and Medium-Sized Enterprises: An Institutional Logics Perspective." *Entrepreneurship & Regional Development* (2022). https://doi.org/10.1080/08985626.2022.2103745.

Zulu-Chisanga, S., M. Chabala, and B. Mandawa-Bray. "The Differential Effects of Government Support, Inter-Firm Collaboration and Firm Resources on SME Performance in a Developing Economy." *Journal of Entrepreneurship in Emerging Economies* (2020). https://doi.org/10.1108/jeee-07-2019-0105.